Afghanistan
Pay Smart Pocket-book
Guide for Your Pay
While Deployed

Southern European

Preface

This Pay Smart Pocket-book is provided to you by the 208th Finance Battalion, “Fight to Pay!”

The information contained in this booklet provides basic information on pay changes that will occur for Soldiers who deploy to the OEF Theater. Additionally, this booklet contains information on the Savings Deposit Program and Special Leave Accrual that Soldiers earn while deployed.

If you have any pay related issues not covered in this booklet, please notify a member

Notes

Notes

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Military Pay Entitlements – Operation Enduring Freedom (OEF)

a. Basic Allowance for Subsistence (BAS). Soldiers will deploy in a TCS status. All deploying Soldiers will receive BAS / Separate Rations (tax exempt). BAS will continue for Soldiers who are receiving it at the time of deployment and will be started for Soldiers who were on meal cards.

b. Per Diem. All deployed Soldiers who are in a TCS status are entitled to incidental per diem at $3.50 a day (OCONUS), or $105 a month (tax exempt).

c. Hostile Fire Pay (HFP)/Imminent Danger Pay (IDP). HFP/IDP is payable to all Soldiers in the total land and air space of Afghanistan. Soldiers receive $225.00 a month (tax exempt) for each month, or part of a month, in which the Soldier is present in the HFP/IDP area. Entitlement starts upon arrival to the authorized location and terminates upon departure.

d. Combat Zone Tax Exclusion (CZTE). Public Law authorizes CZTE for all Soldiers receiving HFP in Afghanistan. A Soldier who is present, however brief, in this area, including airspace, and is on official duty qualifies for CZTE for that month. All pay for both enlisted personnel and warrant officers is tax exempt for the months spent in the CZTE area. Commissioned officer pay is tax exempt at an amount equal to the Sergeant Major of the Army's Basic Pay plus HFP. For calendar year 2004, this is equal to $6,315.90 per month (6,090.90 + 225.00).

e. Hardship Duty Pay-Location (HDP-L). Indicated as Save Pay on the Leave and Earnings Statement (LES), is payable to all Soldiers on a monthly basis according to location and living conditions. Currently, HDP-L is payable at a rate of $100 per month for all Soldiers deployed to Afghanistan.

f. Overseas Housing Allowance (OHA). Soldiers drawing OHA at their permanent duty station (PDS) will continue to draw OHA during the deployment (tax exempt).

g. Family Separation Allowance (FSA). FSA is paid when a Soldier is involuntarily separated from his/her dependents or active duty spouse for more than 30 days. It is payable at $250.00 per month, or $8.33 per day (tax exempt). Service member married to service member is also entitled to FSA. However, only one Soldier will receive this entitlement. If both Soldiers deploy to the same theater they must be outside a fifty-mile radius or unable to see each other based on mission and security constraints.

Notes

Entitlements while Deployed

OHA	variable
COLA	variable
HDP-L	$100
FSA	$250
BAH	variable
HFP	$225
CZTE	variable
BAS	$210
Per Diem	$105*
Savings Deposit Program eligibility	starts

*Assumes a 30 day month

i. **Savings Deposit Program (SDP).** All Soldiers deployed at least 30 consecutive days may contribute to this risk free program. Soldiers may make any number of deposits in any amount each month, provided the total deposited in a one month period does not exceed the Soldier's monthly net pay and allowances. Interest is paid at the rate of 10 percent per annum, compounded quarterly (calendar quarter). Public Law limits interest payments in the SDP at $10,000 regardless of the total amount in the SDP account (includes contributions and interest earned). Interest will accrue up to 90 days after the Soldier redeploys.

j. **Special-Leave Accrual (SLA).** SLA accrues when Soldier serves in an area in which he or she was entitled to Hostile Fire/Imminent Danger Pay for at least 120 continuous days. Special Leave Accrual authorizes Soldiers to carry up to 90 days of leave at the end of a Fiscal Year. Accrued Special Leave must be used before the end of the third fiscal year after the fiscal year in which the qualifying service ended.

k. **Leave and Earnings Statements (LESs).** LESs and Mid-month Net Pay Advice forms will be sent to the Soldiers at their deployed location. In addition, Soldiers with access to the Internet will be able to access their LESs through "myPay" online at www.dfas.mil. With a general power of attorney, Soldiers can grant their spouse access to their LES. Spouses with power of attorney should request the LES from the unit's rear detachment commander or NCOIC. **Spouses can also be given limited access PIN numbers to a Soldier's account.**

l. **Power of Attorney (POA).** With a special power of attorney, the Soldier can grant their spouse the right to establish, change, or stop an allotment. The special power of attorney must specifically state the authority to establish, change, or stop allotments. In addition, a special power of attorney can be used to establish, change, or stop transactions involving the Thrift Savings Plan and the Savings Deposit Program. In order to cash checks at local finance offices a Soldier must have a current DD 2761 on file prior to deploying.

m. **Dependent Support.** Soldiers must ensure their families have access to adequate financial support in their absence. This may include access to checking and/or savings accounts or establishment of allotments. Checking accounts are generally preferred in order to maximize access to funds by both the Soldier and their dependent(s).

TCS Deployment Effects on your Pay

Assumption: TCS orders issued

Current Station Entitlements USAREUR remain unchanged (OHA, COLA, and BAS)

Current Separation Entitlements (family stateside for geographical bachelors) remain unchanged (FSA, BAH)

Separation Entitlements (family members in USAREUR) started (FSA)

Combat Zone Entitlements started (HFP, CZTE, SLA, Savings

TCS Entitlements

Incidentals (Per Diem) – All soldiers will receive incidentals at a rate of $3.50 for each day while in a TCS status deployed in an OCONUS location

BAS – Meal Deductions will not occur for enlisted soldiers (SSG and below) who normally have a Meal Deduction shown in the deductions column of their monthly LES while in a TCS status

Special Leave Accrual

Entitled to Hostile/Imminent Danger Pay for 120 Continuous days

Accrue up to 90 Days for a FY (Fiscal Year)

Accrued Leave must be used before the end of the third FY after leaving AOR

Will start during FY04 and continue thru FY05

SLA Leave must be used before end of FY08

Current Station Entitlements

Remain unchanged

OHA (overseas housing allowance) will remain assuming service member does not move out of off-post housing.

COLA (cost of living allowance) is variable based on Euro rate and number of dependents. COLA only changes if dependents leave permanent duty station (PDS) for more than 30 days. Upon return of the dependents to PDS, COLA will return to original rate.

Separation Entitlements

Soldiers currently receiving separation entitlements (geographical bachelors) will remain unchanged.

FSA (Family Separation Pay)

BAH (Basic Allowance for Housing)

Soldiers with dependents will start to receive separation entitlements (FSA).

When a service member is married to another service member only one will receive

Savings Deposit Program

Deposits can be made in an amount equal to monthly Net Pay in $5 increments Maximum deposit cannot exceed $10,000

Interest is accrued at an rate of 10% per annum compounded quarterly (2.5% per quarter); interest continues to accrue for up to 90 days after departure

Withdrawals are normally made upon termination of eligibility from the program (departure from OEF Theater); exceptions can be made for extenuating circumstances while still in theater

If a service member's account contains over $10,000 the service member may make quarterly requests to withdraw the balance that exceeds $10,000. The $10,000 remains in the account until the service member's eligibility terminates and the service member withdraws the remaining funds in entirety. Service members may make emergency withdrawal requests of full or partial amounts before eligibility termination. Emergency requests must be for the health and welfare of a member or his dependent and must be substantiated by a written request from the member's unit commander.

To receive funds, mail or fax a written request to the address below. Include the following: name, social security number, branch of service, component (e.g. active or reserve), start and stop date of tour in eligible area, and amount requested. Active duty members will automatically receive their payment via electronic funds transfer (EFT) to the same account as their normal monthly pay. Reservists and separated members requesting EFTs must include the bank account number, type of account (checking or savings), and the bank's routing transit number or a voided check or deposit slip in their request. Reservists and separated members requesting payment via check must provide a current address.

DFAS- Cleveland Center (DFAS-CL) FAX Commercial: 216-522-6924

ATTN: Code FMAA DSN: 580-6924

1240 East 9th Street

Cleveland, OH 44199-2055.

Questions regarding SDP withdrawal requests should be directed to:

Toll Free (stateside only) 1-800-624-7368

COMM 216/522-6545

DSN 580-6545

Combat Zone Entitlement

Combat Zone Entitlements are started upon arrival

- HFP/IDP (Imminent Danger Pay)
- CZTE (Combat Zone Tax Exclusion)
- Savings Deposit Program
- SLA (Special Leave Accrual)

Savings Deposit Program Fact Sheet

a. Effective date: Starting 1 February 2003, members serving in Operations Enduring Freedom\Iraqi Freedom to include the total land area of the Arabian Peninsula, including the Persian Gulf (as defined by the Arabian Peninsula, the Strait of Hormuz, and that part of the Gulf of Oman which lies north of 25 degrees north latitude and 057-30 degrees east longitude), Bahrain, Iraq, Iran, Israel, Jordan, Kyrgyzstan, Kuwait, Lebanon, Oman, Pakistan, Qatar, Saudi Arabia, Tajikistan, Turkey, United Arab Emirates, Uzbekistan, and Yemen are eligible to participate in the Savings Deposit Program.

b. Making a Deposit: Service members may begin making deposits on their 31st consecutive day in the designated area with their servicing finance battalion. Eligibility to make deposits terminates on the date of departure from theater. Active duty members may make deposits by cash, personal check, traveler's check, money order or allotment. Reserve component members may make deposits by cash, personal check or money order only. Standing policies regarding personal check acceptance and regulatory restrictions regarding number and type of allotments apply.

All deposit amounts, regardless of depository method, must be made in $5 increments (e.g. $50, $65, $1005, not $1001.67) and cannot exceed a service member's monthly unallotted current pay and allowances (e.g. monthly net pay after all deductions and allotments; includes special pays and reenlistment bonus). More than one deposit may be made in a month, but the cumulative total of the deposits cannot exceed the month's unallotted pay and allowances.

An agent (person who has a power of attorney on your behalf) may make a deposit using a special power of attorney. The special power of attorney must reflect the action the agent is attempting (e.g. if starting a SDP allotment must give authority to start, stop or change allotments; if depositing cash, traveler's check or money order must give authority to receive Treasury checks and/or make deposits). Agents may not deposit personal checks on behalf of a service member.

(2) When a member makes a deposit by allotment, the member will complete a DD Form 2558, Authorization to Start, Stop or Change an Allotment, and submit it either directly to their servicing finance battalion or through their unit personnel administration center (PAC). In Block 17, the service member will write 9999955. In block 16, the service member will write "S-SAVINGS".

c. Accrual of Interest: Deposited funds will accrue interest at 10% per annum, compounded quarterly, based on calendar year. Interest only accrues on amounts up to $10,000 (principal and accrued interest combined). Deposits made on a cash collection voucher on or before the 10th of the month accrue interest from the 1st of that month. Deposits made after the 10th of the month accrue interest from the first day of the following month.

Eligibility for SDP stops on the day of departure; however, interest will continue to accrue up to 90 days after redeployment. If the service member requests withdrawal of funds prior to the 90th day, interest stops on date of request. (NOTE: If the 90th day falls on any day other than the last day of a month, interest will accrue through the last day of the preceding month.) Since the IRS considers SDP interest unearned income the interest is taxable even though the soldier is located in a combat zone tax exempt (CZTE) area

Compute interest at the rate of 10 percent per annum, compounded quarterly, according to calendar quarter. Compute quarterly interest on the average quarterly balance on deposit. Ten percent is compounded quarterly on amounts less than $10,000. Once $10,000 is on deposit, simple interest will be computed on the $10,000. No interest is paid on amounts exceeding $10,000, except on amounts in the case of a member who is in a missing status.

Compute interest at the rate of:

1 Month-1/12 of 10 percent or .00833
2 Months-2/12 of 10 percent or .01667
3 Months-(Full Quarter)-.025

d. Making Withdrawals: Deposits may be discontinued at